

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2360 - HB 2674

March 9, 2018

SUMMARY OF BILL: Requires any jurisdiction which requires a person, firm, or corporation to be licensed in order to file mechanic's or materialman's liens to establish a method, no later than October 1, 2018, for verifying the licensure status of the person, firm, or corporation prior to recording the lien. Prohibits recordation of the lien by the register of deeds if the person, firm, or corporation is not licensed.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Under current law, pursuant to Tenn. Code Ann. 66-11-150, no mechanic's and materialman's liens shall be available on residential property unless the person, firm, or corporation is licensed pursuant to Title 62, Chapter 6 and the jurisdiction in which the work is performed requires such person, firm, or corporation to be licensed.
- No such lien is authorized to be recorded unless the person, firm, or corporation is licensed; therefore prohibiting the recordation of liens filed by unlicensed persons will not result in any significant decrease in local government revenue.
- Verification can be accomplished by contacting the Board for Licensing Contractors, or by visiting the Department of Commerce and Insurance's website.
- Any fiscal impact to state and local government is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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